

UMVOTI MUNICIPAL COUNCIL
CERTIFICATE OF ACTS OF COUNCIL

**EXTRACT FROM THE MINUTES OF THE SPECIAL STATUTORY COMMITTEE MEETING HELD
ON MONDAY 31ST MARCH 2014, AT WHICH THE FOLLOWING WERE PRESENT:-**

MEMBERS (22)

Cllr	KL	Chonco
Cllr	BG	Dladla
Cllr	MR	Dlamini
Cllr	NSV	Machaba
Ald	R	Maharaj
Cllr	BE	Mlondo
Cllr	EN	Mncube
Cllr	SE	Mngoma
Cllr	PMS	Ngubane
Cllr	IS	Nyoka
Cllr	SA	Nzama
Cllr	M	Pillay
Cllr	AM	Shaikh
Cllr	ES	Shange
Cllr	ML	Shezi
Cllr	ZW	Xaba
Cllr	MS	Yengwa
Cllr	SV	Zondi
Cllr	PT	Zuma

OFFICIALS:	Mr	BA	Xulu	(Municipal Manager)
	Mr	ME	Swanlow	(Chief Financial Officer)
	Ms	Z	Ngcobo	(Deputy Chief Financial Officer)
	Mr	IJM	Archer	(Manager Good Governance and Legal Compliance)
	Ms	SS	Masondo	(Manager Legal Services)
	Mr	EV	Mdlalose	(Supply Chain Manager)
	Mr	MR	Khoza	(Acting Manager Protection Services)
	Mr	MF	Maphanga	(Acting Manager Corporate Services)
	Ms	PLC	Robson	(Manager Committee Administration)
	Mrs	N	Mbhele	(Planning Manager)
	Mr	ZM	Chonco	(Housing Manager)
	Ms	AJ	Maharaj	(Committee Officer)

MINISTERIAL REPRESENTATIVE: Mr MM Sithole

APOLOGIES ACCEPTED:

Cllr	PR	Buss
Cllr	ZC	Ngema

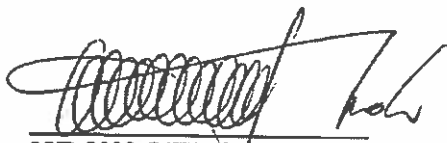
UMS 152 (1)

**ANNUAL BUDGET (OPERATING & CAPITAL) 2014/2015 FINANCIAL YEAR
(6/2/12)**

1. That a principle resolution be taken not to increase the rand rate age in terms of property rates.
2. That the Municipal Manager and his Management Team be task to review rates in terms of the National Treasury Circular 72 and to address the operating budget deficit.
3. That no movable assets be purchased during the 2014/2015 financial year, unless essential to the opinion of the Municipal Manager.
4. That Council review ward priorities, to be in line with National Priorities, prioritize all ward projects, taking the available funding of approximately R 6 million into account.
5. That the annual budget as tabled be made public in terms of section 22 of the MFMA.
6. That the Manager Legal Services in consultation with the management team, review all financial related policies, circulate it to all councillors to comment in writing to the Administrator before or on a date to be determined by the Administrator.
7. That all comments received in amending the financial policies, be considered to amend said policies and a final draft set of policies be placed on the council agenda at the next budget Council meeting.
8. That department SDBIP's be drafted and to be considered at the next Council Budget meeting.
9. That the process of aligning of the IDP and Budget be proceed with.

10. That the Administrator finalizes the staff establishment in term of the COGTA circular and taking Government Gazette 37245 dated 17 January 2014 into account.
11. That the budget tabled be referred back for further consideration, amendments and public consultation.
12. That Council considers the adoption of the 2014/2015 budget at least 30 days prior to the start of the new financial year.
13. The Chief Financial Officer,, Mr ME Swanlow informed the meeting as follows
 - 13.1 that the general valuation roll has been received and indicated that values of properties has increased by approximately 25% therefore he requested a principle decision to be taken that the rand rate age not be increased but rather to be recalculated to ensure that a small surplus be achieved taking cognizance of Circular 72 of the MFMA which requires municipalities to take the plight of the poor into account when setting rates and tariffs.
 - 13.2 That Council review all capital projects taking the NDF priorities into account and also to budget for service delivery projects and no movable assets be purchased unless of an extreme importance.
14. That the above-mentioned resolution was proposed by Cllr R Maharaj and seconded by Cllr SA Nzama.

I CERTIFY THAT THE FOREGOING IS A TRUE EXTRACT FROM THE MINUTES OF THE SPECIAL STATUTORY COMMITTEE MEETING HELD ON 31ST MARCH 2014


MR MM SITHOLE
ADMINISTRATOR

UMVOTI MUNICIPALITY,
GREYTOWN

2014/04/01
DATE

AN ANNUAL BUDGET AND SUPPORTING DOCUMENTATION OF UMVOTI MUNICIPALITY

ANNUAL BUDGET OF

UMVOTI

MUNICIPALITY

2014/15 TO 2016/17

MEDIUM TERM REVENUE AND

EXPENDITURE FORECASTS

Copies of this document can be viewed:

- **Finance department**
- **All public libraries within the municipality**
- **At www.umnvoti.gov.za**

Abbreviations and Acronyms

AMR	Automated Meter Reading	ℓ	litre
ASGISA	Accelerated and Shared Growth Initiative	LED	Local Economic Development
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
CM	City Manager	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GDS	Gauteng Growth and Development Strategy	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kl	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		

Part 1 – Annual Budget

1.1 Mayor's Report

Not available at date of printing

1.2 Council Resolutions

On 28th March 2014 the Council of Umvoti Local Municipality met in the Council Chambers of Umvoti 41 Bell Street to consider the annual budget of the municipality for the financial year 2014/15. The Council approved and adopted the following resolutions:

1. The Council of Umvoti Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2014/15 and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type)
 - 1.1.4. Single-year capital appropriations by municipal vote and standard classification and associated funding by source
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.3.
 - 1.3.1. Budgeted Financial Position
 - 1.3.2. Budgeted Cash Flows as contained in Table 17
 - 1.3.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 18;
2. The Council of Umvoti Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2014:
 - 2.1. the tariffs for property rates
 - 2.2. the tariffs for electricity
 - 2.3. the tariffs for refuse removal
3. The Council of Umvoti Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2014 the tariffs for other services as attached,

June 2013

4. To give proper effect to the municipality's annual budget, the Council of Umvoti Local Municipality approves:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
 - 4.2. That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2014/15 financial year limited to an amount of R 56 million for electricity for the financial year of the MTREF in terms of Section 46 of the Municipal Finance Management Act.
 - 4.3. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. One such strategy is to conduct a meter sweep to ensure that all meters are functioning and that accurate accounts are sent out. This initiative has various challenges that need to be addressed urgently; some of them are the council's resolution not to proceed in the Township and also interfering in debt collection strategies. Another element that needs to be addressed urgently is the complete blocking of pre-paid sales to enhance revenue collections. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 51, 54, 66, 67, 70 and 71 were used to guide the compilation of the 2013/14 MTREF.

The main challenges experienced during the compilation of the 2014/15 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained roads and electricity infrastructure;

- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Additional staff request from management without any due diligent studies being conducted and the establishment of a security and disaster section.
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2014/15 MTREF process; and
- Availability of affordable capital/borrowing.
- The restructuring of the organization.
- Obtaining council resolutions as there is a continuous walk out by councilors.
- Poor prioritization of projects.

The following budget principles and guidelines directly informed the compilation of the 2014/15 MTREF:

- The 2013/14 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2014/15 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- An upper limit of R6,4 million was set for the following items and allocations to these items had to be supported by a list and/or motivation setting out the intention and cost of the expenditure which was used to prioritise expenditures:
 - Consultant Fees;
 - Furniture and office equipment;
 - Refreshments and entertainment;
 - Ad-hoc travelling; and
 - Subsistence, Travelling & Conference fees

In view of the aforementioned, the following table is a consolidated overview of the proposed 2014/15 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2014/15 MTREF

Description	Current Year 2013/14		2014/15 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjustments Budget	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R Thousands					
Total Operating Revenue	157 851	162 995	164 420	191 431	200 775
Total Operating Expenditure	175 908	177 229	184 968	199 415	203 871
Surplus/(Deficit) of the Year	-18 056	-14 234	-20 548	-7 983	-3 095
Total Capital Expenditure	28 485	36 741	67 512	69 520	82 002

Total operating revenue has grown by 0.9 per cent or R1.4 million for the 2014/15 financial year when compared to the 2013/14 Adjustments Budget. For the two outer years, operational revenue will increase by 5.4 per cent respectively, equating to a total revenue growth of R36.4 million over the MTREF when compared to the 2013/14 financial year.

Total operating expenditure for the 2014/15 financial year has been appropriated at 184.9 million and translates into a budgeted deficit of R20.5 million. When compared to the 2013/14 Adjustments Budget, Operational expenditure has grown by 4.4 per cent in the 2014/15 budget and by 7.8 and 2.2 per cent respectively for the outer years of the MTREF.

The operating deficit for the ensuing year amounts to R20.5 million and decreases steadily in the two outer years to R7.9 million and 3 million respectively by 2016/17. The budget deficit in 2014/15 can be attributed to the budgeted depreciation of R21.5 million and Debt impairment contribution of R4.3 million; these are non-cash items that need to be factored on the tariff of charges.

Strategies need to be put in place to move to a positive situation and expenditure need to be focused on essential items. The main section contribution to the deficits being experienced is the Protection Services Department as more than 50% of own revenue is being used to finance this section. As no surplus is available the capital expenditure will be funded from the available accumulated surplus currently amounting to R30 Million. This is not sustainable and measures would need to be put in place so that capital can be funded from surplus derived in that year. The current adjustment budget shows that a deficit of R14 million will result by the end of the financial year and to continue budgeting for a deficit is not healthy.

The capital budget of R67.5 million for 2014/15 is 79.87 per cent more when compared to the 2013/14 Adjustment Budget. This budget is currently unrealistic and would have to be reduced. The capital programmes are only 50% funded, a substantial portion of the capital budget will be funded from MIG allocation of R25.5 million, INEP of R12 million and 6 million can be afforded by the municipality as internal funding. Should the rate of expenditure on operations not be reduced we would not be able to execute the 35 percent (R24 million) required from the 2014/15 capital expenditure budget.

Greytown is to form part of the small town rehabilitation and although acceptance has been provided by CoGTA, no funding has been appropriated in this budget. Once the value of funding has been gazzetted, the funds will be appropriated through an adjustment budget.

1.4 Operating Revenue Framework

For Umvoti Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 90 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2014/15 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Revenue By Source										
Property rates	2	13 565	13 799	18 623	20 461	21 360	21 360	22 598	23 818	25 009
Property rates - penalties & collection charges		1 180	1 251	1 127	1 330	1 300	1 300	1 551	1 629	1 710
Service charges - electricity revenue	2	34 013	42 433	48 680	52 291	54 032	54 032	56 539	59 592	62 571
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	4 726	5 290	5 534	5 790	5 975	5 975	6 258	6 596	6 952
Service charges - other		317	563	778	872	872	872	1 256	1 324	1 395
Rental of facilities and equipment		2 998	2 819	2 881	3 032	3 005	3 005	2 960	3 120	3 289
Interest earned - external investments		2 939	3 261	3 886	2 700	3 000	3 000	3 000	3 162	3 333
Interest earned - outstanding debtors		157	154	170	183	172	172	180	190	200
Dividends received		-	-	-	-	-	-	-	-	-
Fines		325	491	846	804	704	704	800	843	889
Licences and permits		2 071	1 914	1 990	2 045	1 864	1 864	1 951	2 056	2 167
Agency services		925	970	1 054	1 110	1 100	1 100	1 550	1 634	1 722
Transfers recognised - operational		34 399	44 951	51 948	67 053	69 521	69 521	66 465	88 639	92 991
Other revenue	2	2 801	841	288	171	81	81	141	149	157
Gains on disposal of PPE		91	-	210	10	10	10	10	11	11
Total Revenue (excluding capital transfers and contributions)		100 506	118 738	138 015	157 852	162 995	162 995	165 258	192 761	202 395

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year 2013/14		2014/15 Medium Term Revenue & Expenditure Framework			% Growth Rate (Nominal)		
	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	2013/14* to 2014/15	2014/15 to 2015/16	2015/16 to 2016/17
Revenue By Source								
Property rates	20 461	21 360	22 598	23 818	25 009	5.8%	5.4%	5.0%
Property rates - penalties & collection charges	1 330	1 300	1 551	1 629	1 710	19.3%	5.0%	5.0%
Service charges - electricity revenue	52 291	54 032	56 539	59 592	62 571	4.6%	5.4%	5.0%
Service charges - refuse revenue	5 790	5 975	6 258	6 596	6 952	4.7%	5.4%	5.4%
Service charges - other	872	872	1 256	1 324	1 395	44.0%	5.4%	5.4%
Rental of facilities and equipment	3 032	3 005	2 960	3 120	3 289	-1.5%	5.4%	5.4%
Interest earned - external investments	2 700	3 000	3 000	3 162	3 333	0.0%	5.4%	5.4%
Interest earned - outstanding debtors	183	172	180	190	200	4.7%	5.4%	5.4%
Fines	804	704	800	843	889	13.6%	5.4%	5.4%
Licences and permits	2 045	1 864	1 951	2 056	2 167	4.6%	5.4%	5.4%
Agency services	1 110	1 100	1 550	1 634	1 722	40.9%	5.4%	5.4%
Transfers recognised - operational	67 053	69 521	66 465	88 639	92 991	-4.4%	33.4%	4.9%
Other revenue	171	81	141	149	157	75.4%	5.4%	5.4%
Gains on disposal of PPE	10	10	10	11	11	0.0%	5.4%	5.0%
Total Revenue (excluding capital transfers and contributions)	157 852	162 995	165 258	192 761	202 395	1.4%	16.6%	5.0%

Revenue generated from Electricity services charges forms a significant percentage of the revenue basket of Umvoti Municipality. Electricity service charges revenue comprise of 34 percent (R56.5 million) of the total Operating revenue for the 2014/15 budget year, followed by

Property rates contributing 14 percent (R22.6 million) towards the total Operating budget and Refuse Removal contributes only 4 percent (R6.3 million). The trading services and Property services combined contribute 52 percent towards the total revenue mix.

The 'Other revenue' constitute only 8 percent towards total Operating Revenue, which consists of various items such as income received from permits and licenses, building plan fees, connection fees, transport fees and advertisement fees. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

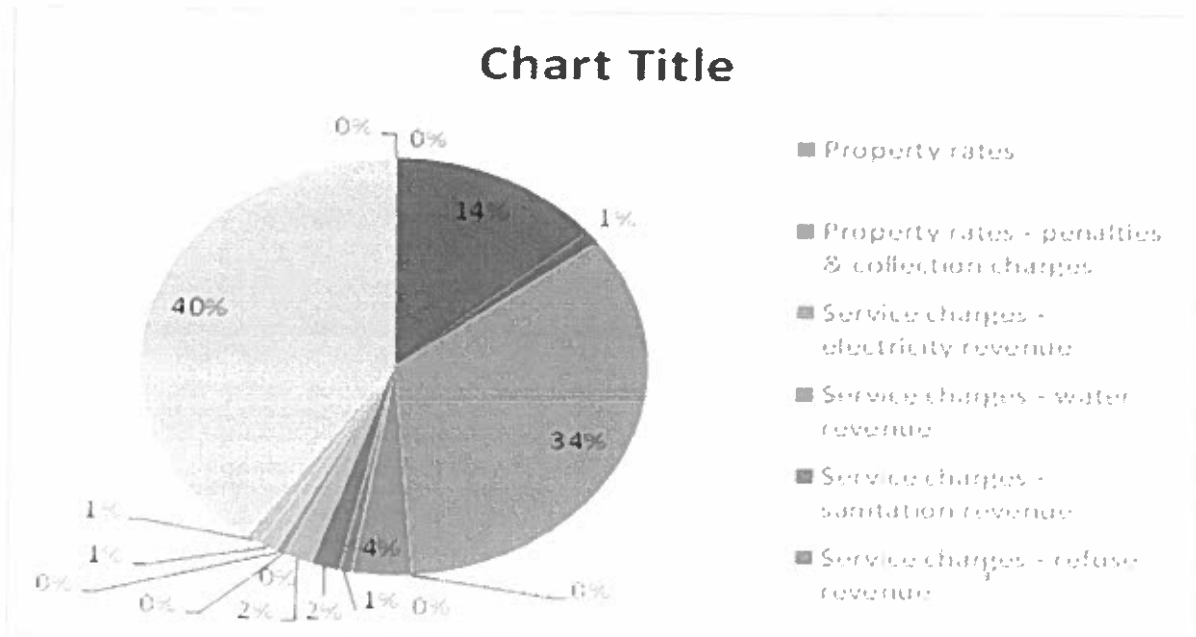


Table 4 Operating Transfers and Grant Receipts

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		31 240	38 762	44 262	65 798	68 691	68 691	67 725	89 968	94 611
Local Government Equitable Share		30 040	36 522	41 962	49 358	49 358	49 358	62 571	84 593	88 553
Finance Management		1 200	1 450	1 500	1 550	1 550	1 550	1 700	1 750	1 800
Municipal Systems Improvement			790	800	890	890	890	934	967	1 018
Integrated National Electrification Programme					14 000	14 000	14 000			
Other transfers/grants (insert description)						2 893	2 893			
Provincial Government:		16 273	18 372	2 672	830	830	830	1 260	1 329	1 620
Health subsidy		1 183	1 620							
Sport and Recreation		525		150						
Cogta Grants-Provincial		14 565	16 752	2 522	830	830	830	1 260	1 329	1 620
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	47 513	57 134	48 934	66 628	69 521	69 521	68 985	91 297	96 231
Capital Transfers and Grants										
National Government:		44 693	41 383	38 317	21 976	21 976	21 976	37 497	56 793	65 845
Municipal Infrastructure Grant (MIG)		25 647	23 747	21 988	21 976	21 976	21 976	25 497	26 793	27 845
Rural Households Infrastructure		19 047	17 636	16 330				12 000	30 000	38 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	44 693	41 383	38 317	21 976	21 976	21 976	37 497	56 793	65 845
TOTAL RECEIPTS OF TRANSFERS & GRANTS		92 206	98 517	85 251	88 604	91 497	91 497	106 482	148 090	162 076

Operational Grants Transfers amounts to R66.4 million and contributes 40 percent towards the Operating Revenue budget in 2013/14. The Transfers increases to R87.3 million in 2015/16 and R91.3 million in 2016/17. The following table gives a breakdown of the various grants and subsidies allocated to the municipality over the medium term.

The Provincial Government Grants breakdown is as follows as per Provincial Gazette No.1115 allocations for the 2013/14 budget year

- Community Library Services R126 000
- Museum Subsidy R299 000
- Provincialisation of Libraries R835 000

1.4.1 Property Rates

Determining the effective property rate tariff is an integral part of the municipality's budgeting process.

Umvoti Municipality undertook a general valuation and compilation of the new valuation roll as required by Municipal Property Rates Act to be effective from 1 July 2014. The valuation of properties has increased by a billion rand.

Due to the significant increase in property values, it is recommended that Rates randages remain as per the 2013/14 randages in order relieve rate payers on the major burden that will arise as a result of the increase in property values. Council is requested to task the administration to explore ways of bridging the gap between the Property rates tariff increase required by the municipality and affordability of the consumers.

Rates exemptions and rebates are consistent with the Municipal Property rates and the Rates Randages complies with the CoGTA recommended ratios.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2014/15 financial year are as follows:

Table 5 Comparison of proposed rates to levied for the 2014/15 financial year

Category	Current Tariff cents in the Rand (1 July 2013)	Proposed tariff cents in the Rand (from 1 July 2014)
	C	C
Residential properties	1,37	1,37
Sectional Title	1,37	1,37
Business & Commercial	2,03	2,03
Industrial	1,37	1,37
Agricultural	0,34	0,34
Communal	0,34	0,34
Institutional	1,37	1,37
National Monuments	1,37	1,37
Municipal	1,37	1,37
Public Benefit Organizations	0,34	0,34
Public Service Infrastructure	0,34	0,34
Special Purpose	1,37	1,37
State owned	2,03	2,03
Place of Worship	1,37	1,37
Properties leased by the Municipality	1,37	1,37

1.4.2 Sale of Electricity and Impact of Tariff Increases

NERSA has approved a 7.39 per cent guideline tariff increase and an 8 percent increase in the cost of bulk purchases for the 2014/15 budget and the MTREF.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs charges:

Table 6 Comparison of proposed tariffs to levied for the 2013/14 financial year

NERSA APPROVED CATEGORIES OF ELECTRICITY TARIFFS UMVOTI MUNICIPALITY					
DOMESTIC TARIFFS					
		2013/2014	% increase		2014/2015
Domestic option 1	energy charge per kwh	103.79	7.39		111.460
Basic charge	amperage charge per amp per meter	4.05	7.39		4.35
Domestic option 2 (no basic charge)	energy charge per kwh (no basic charge)	141.16	7.39		151.59
Pre paid indigent	energy charge per kwh	85.98	7.39		92.33
Pre paid non indigent	energy charge per kwh	135.32	7.39		145.32
Indigent conventional	energy charge per kwh	74.91	7.39		80.45
COMMERCIAL TARIFFS					
Commercial	energy charge per kwh	126.36	7.39		135.70
Basic charge	amperage charge per amp per meter	4.86	7.39		5.22
SPORT FIELDS AND STREET LIGHTING					
Energy charge	energy charge per kwh	136.51	7.39		146.60
AVAILABILITY CHARGE					
Residential use per lot per month	availability charge	84.24	7.39		90.47
Commercial or industrial use per month	availability charge	162.86	7.39		174.90
INDUSTRIAL TARIFFS					
Large power users with installed capacity of in excess of 65 kva					
Basic charge	basic charge per month	1179.14	7.39		1266.28
Energy charge	energy charge per kwh	72.14	7.39		77.47
Demand charge	demand charge per KVA	158.72	7.39		170.45

1.4.3 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case.

The below tables indicate the actual and budgeted financial performance of the Waste Management on the 7 year budget horizon.

Table 7: Waste Management Performance

Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14		2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Waste Management - Revenue	7 017	7 718	8 490	5 975	5 975	6 274	6 596	6 952
Waste Management - Expenditure	(11 236)	(10 447)	(9 714)	(9 533)	(9 533)	(8 369)	(12 889)	(12 889)
Surplus/(Deficit)	(4 220)	(2 729)	(1 224)	(15 508)	(15 508)	(14 643)	(19 484)	(19 841)

The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration as well as transporting of waste to Pietermaritzburg.

Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models.

Council is requested to task the administration in exploring ways of enhancing the waste management towards operating at breakeven.

Refuse Removal tariffs were increase at 6 per cent which is consistent with the CPIX index of 6.2 per cent as outlined in MFMA circular N.72.

The following table compares current and proposed amounts payable from 1 July 2014:

Table 8 Comparison between current waste removal fees and increases

Tariff Type	2013/14 Current Tariffs	2014/15 Proposed Tariffs	Difference	Tariff Increase Percentage
Refuse Domestic	95	100.3	5.3	6%
Refuse Commercial	258.8	273.3	14.5	6%
Refuse Other	350.7	370.3	19.6	6%

1.5 Operating Expenditure Framework

The following table is a high level summary of the 2014/15 budget and MTREF (classified per main type of operating expenditure):

Table 9 Summary of operating expenditure by standard classification item

KZN245 Umvoti - Table A4 Budgeted Financial Performance (revenue and expenditure)

2010/11 Budget, 2011/12 Actuals, 2012/13 Estimate, 2013/14 Current Year Budget, 2014/15 Medium Term Revenue & Expenditure Framework										
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Expenditure By Type										
Employee related costs	2	26 264	34 672	40 809	53 005	48 015	48 015	71 856	75 736	79 826
Remuneration of councillors		4 316	4 668	6 488	6 729	7 317	7 317	6 320	6 661	7 021
Debt impairment	3	618	9	3 532	3 180	3 180	3 180	4 325	7 825	413
Depreciation & asset impairment	2	16 785	16 823	17 560	21 251	19 843	19 843	21 543	23 988	26 974
Finance charges		41	23	16					-	-
Bulk purchases	2	22 479	29 004	31 537	37 000	37 000	37 000	41 000	43 214	45 548
Other materials	8	316	293	269	222	222	222	339	355	373
Contracted services		15 410	16 954	19 858	28 913	23 489	23 489	12 802	13 443	14 115
Transfers and grants		1 390	1 103	1 268	1 910	1 677	1 677	1 400	1 540	1 617
Other expenditure	4, 5	19 370	23 341	24 105	23 698	36 486	36 486	25 384	26 653	27 986
Loss on disposal of PPE									-	-
Total Expenditure		106 989	126 889	145 441	175 908	177 229	177 229	184 968	199 415	203 871

The budgeted allocation for employee related costs for the 2013/14 financial year totals R71.8 million, which equals 38.8 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 6.79% per cent for the 2014/15 financial year.

An annual increase of 6.40 per cent has been included in the two outer years of the MTREF. The staff cost is rapidly on the increase as new post are proposed on a continual basis without any due diligent studies being conducted. Serious attention should be given to restructuring the organization to ensure that we can concentrate on core functions and better service delivery.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 80 per cent and the Debt Write-off Policy of the Municipality. For the 2014/15 financial year this amount equates to R4.3 million and escalates to R7.8 million in 2015/16 and drops to R413 000 in 2016/17. The decrease in 2016/17 is a result of planned improvements in credit and debt collection processes, where historical debt estimated at R3.5 million should be written off as irrevocable debt.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation has been allocated at R21.5 million in 2014/15, which amounts to 4 per cent of the total budgeted Property Plant and Equipment in budget table A6.

Bulk purchases are directly informed by the purchase of electricity from Eskom, which as per NERSA recommendation, has been increased by 8 percent.

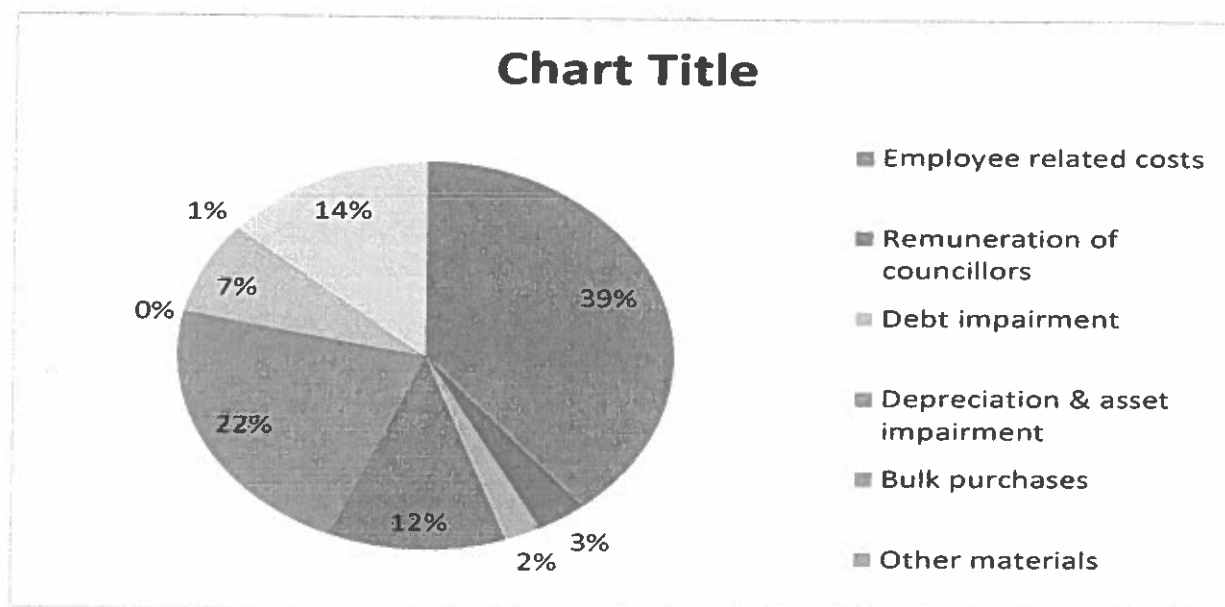
Other materials comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals.

Contracted services in 2014/15 have decreased by 45.5 per cent as compared to the 2013/14 budget year. The municipality is moving away from heavy reliance on consultants and processes will be conducted in-house.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. As a result of this, the Other expenditure is budgeted to decrease by 30 per cent in 2014/15 and increase by 5 per cent in the outer years.

The following table gives a breakdown of the main expenditure categories for the 2014/15 financial year.

Figure 1 Main operational expenditure categories for the 2014/15 financial year



1.5.1 Priority given to repairs and maintenance

Although ample budget provision is made for the repairing and maintaining of the municipal infrastructure assets the department concerned is not spending significantly on this urgent priority. Measures need to be put in place for the monitoring and maintaining of assets as renewing these assets will result in an additional burden to the Municipality.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The community of Umvoti is reluctant to register as they feel that this attaches a stigma to them. Educational programs need to be developed to encourage the indigent to register.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 10 2014/15 Medium-term capital budget per vote

Vote Description R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital Expenditure - Standard										
<i>Governance and administration</i>		1 403	1 078	4 020	1 993	1 666	1 666	11 303	1 418	4 107
Executive and council		1 328	961	1 635	695	916	916	2 665	80	4 000
Budget and treasury office		75			82	135	135			
Corporate services			117	2 384	1 216	615	615	8 638	1 338	107
<i>Community and public safety</i>		487	3 198	6 513	5 014	5 119	5 119	11 405	4 310	5 050
Community and social services		403	1 573	5 857	788	1 367	1 367	9 835	110	50
Sport and recreation						-	-			
Public safety		84	1 623	656	4 226	3 752	3 752	1 570	4 200	5 000
Housing						-	-			
Health						-	-			
<i>Economic and environmental services</i>		16 368	6 243	27 589	16 528	24 908	24 908	30 100	33 793	34 845
Planning and development			30	1 994		-	-			
Road transport		16 368	6 213	25 596	16 528	21 796	21 796	30 100	33 793	34 845
Environmental protection						3 110	3 110			
<i>Trading services</i>		2 839	1 782	1 153	4 950	4 950	4 950	14 705	30 000	38 000
Electricity		2 663	1 188	863	4 950	4 950	4 950	14 705	30 000	38 000
Water						-	-			
Waste water management						-	-			
Waste management		175	595	290		-	-			
<i>Other</i>						100	100			
Total Capital Expenditure - Standard	3	21 096	12 299	39 275	28 485	36 741	36 741	67 513	69 521	82 002

The capital budget of R67.5 million for 2014/15 is 79.87 per cent more when compared to the 2013/14 Adjustment Budget. This budget is currently unrealistic and would have to be reduced. The capital programmes are only 50% funded, a substantial portion of the capital budget will be funded from MIG allocation of R25.5 million, INEP of R12 million and 6 million can be afforded by the municipality as internal funding. Should the rate of expenditure on operations not be reduced we would not be able to execute the 35 percent (R24 million) required from the 2014/15 capital expenditure budget.

1.7 Annual Budget Tables

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2014/15 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

Table 11 MBRR Table A1 - Budget Summary

KZN245 Umvoti - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Financial Performance										
Property rates	14 745	15 050	19 750	21 791	22 660	22 660	-	24 149	25 447	26 720
Service charges	39 055	48 286	54 992	58 953	60 879	60 879	-	64 052	67 511	70 918
Investment revenue	2 939	3 261	3 886	2 700	3 000	3 000	-	3 000	3 162	3 333
Transfers recognised - operational	34 399	44 951	51 948	67 053	69 521	69 521	-	66 465	88 639	92 991
Other own revenue	9 368	7 189	7 440	7 355	6 935	6 935	-	7 592	8 002	8 434
Total Revenue (excluding capital transfers and contributions)	100 506	118 738	138 015	157 852	162 995	162 995	-	165 258	192 761	202 395
Employee costs	26 264	34 672	40 809	53 005	48 015	48 015	-	71 856	75 736	79 826
Remuneration of councillors	4 316	4 668	6 488	6 729	7 317	7 317	-	6 320	6 661	7 021
Depreciation & asset impairment	16 785	16 823	17 560	21 251	19 843	19 843	-	21 543	23 988	26 974
Finance charges	41	23	16	-	-	-	-	-	-	-
Materials and bulk purchases	22 795	29 296	31 806	37 222	37 222	37 222	-	41 339	43 569	45 921
Transfers and grants	1 390	1 103	1 268	1 910	1 677	1 677	-	1 400	1 540	1 617
Other expenditure	35 398	40 304	47 494	55 791	63 156	63 156	-	42 512	47 921	42 513
Total Expenditure	106 989	126 889	145 441	175 908	177 229	177 229	-	184 968	199 415	203 871
Surplus/(Deficit)	(6 484)	(8 151)	(7 426)	(18 056)	(14 234)	(14 234)	-	(19 710)	(6 654)	(1 476)
Transfers recognised - capital	11 326	8 604	25 702	21 976	35 976	35 976	-	37 497	56 793	65 845
Contributions recognised - capital & contributed	-	-	(6 480)	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	4 843	453	11 795	3 920	21 742	21 742	-	17 787	50 139	64 369
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	4 843	453	11 795	3 920	21 742	21 742	-	17 787	50 139	64 369
Capital expenditure & funds sources										
Capital expenditure	21 096	12 299	39 275	28 485	36 741	36 741	-	67 513	69 521	82 002
Transfers recognised - capital	19 031	7 400	26 459	21 478	26 746	26 746	-	37 497	56 793	65 845
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	2 065	4 899	12 817	7 007	9 995	9 995	-	30 016	12 728	16 157
Total sources of capital funds	21 096	12 299	39 275	28 485	36 741	36 741	-	67 513	69 521	82 002
Financial position										
Total current assets	71 530	86 097	78 930	61 250	65 119	65 119	-	38 597	43 848	46 754
Total non current assets	453 494	384 746	406 460	480 583	417 767	417 767	-	458 187	498 025	550 286
Total current liabilities	25 124	34 740	31 132	30 350	30 350	30 350	-	25 268	25 390	25 519
Total non current liabilities	8 082	8 023	14 382	8 000	8 000	8 000	-	14 382	15 173	15 600
Community wealth/Equity	491 818	428 081	439 876	503 483	444 536	444 536	-	457 135	499 981	552 972
Cash flows										
Net cash from (used) operating	29 134	28 206	23 198	317 704	29 077	29 077	-	29 884	68 320	80 581
Net cash from (used) investing	(20 970)	(12 265)	(39 064)	(24 841)	(32 351)	(32 351)	-	(60 761)	(62 569)	(77 902)
Net cash from (used) financing	(28)	14	69	300	300	300	-	166	174	183
Cash/cash equivalents at the year end	48 361	64 316	48 519	339 760	45 545	45 545	48 519	15 886	21 812	24 674
Cash backing/surplus reconciliation										
Cash and investments available	48 360	64 315	48 518	40 121	43 624	43 624	-	15 886	21 612	24 674
Application of cash and investments	851	8 240	6 411	10 328	9 020	9 020	-	5 632	6 072	5 503
Balance - surplus (shortfall)	47 509	56 075	42 107	29 793	34 604	34 604	-	10 254	15 740	19 171
Asset management										
Asset register summary (WdV)	453 460	384 746	406 460	73 620	417 707	417 707	456 691	456 691	496 690	549 122
Depreciation & asset impairment	16 785	16 823	17 560	21 251	19 843	19 843	21 543	21 543	23 988	26 974
Renewal of Existing Assets	-	-	-	-	-	-	-	10 732	10 732	9 607
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	800	953	1 098	1 260	1 260	1 260	1 298	1 298	1 311	1 324
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	3	3	3	3	3	3	3	3	3	3

- The above tables shows the overall effect on the municipality's financial position, financial performance and service delivery performance.

Table 12 MBRR Table A2 – Budgeted Financial Performance by Standard Classification

KZN245 Umvoti - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue - Standard										
Governance and administration		38 558	48 806	68 379	95 330	114 473	114 473	115 315	104 829	114 173
Executive and council		13 012	23 865	39 390	63 187	63 609	63 609	84 772	72 931	80 837
Budget and treasury office		21 935	21 645	25 980	30 730	49 451	49 451	29 045	30 400	31 838
Corporate services		3 611	3 296	3 009	1 413	1 413	1 413	1 498	1 498	1 498
Community and public safety		3 667	3 333	3 030	2 210	2 210	2 210	2 370	2 370	2 370
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3 667	3 333	3 030	2 210	2 210	2 210	2 370	2 370	2 370
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		6 735	6 214	5 734	8 143	8 143	8 143	8 473	8 473	8 473
Planning and development		3 562	3 329	3 111	4 423	4 423	4 423	4 173	4 173	4 173
Road transport		2 988	2 716	2 469	1 859	1 859	1 859	1 951	1 951	1 951
Environmental protection		185	169	154	1 861	1 861	1 861	2 349	2 349	2 349
Trading services		62 888	69 003	86 586	74 146	74 146	74 146	75 760	75 760	75 760
Electricity		54 435	61 320	79 601	68 186	68 186	68 186	69 503	69 503	69 503
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		8 452	7 684	6 985	5 960	5 960	5 960	6 258	6 258	6 258
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	111 848	127 357	163 730	179 828	198 971	198 971	201 917	191 432	200 775
Expenditure - Standard										
Governance and administration		36 269	40 451	52 160	63 257	57 558	57 558	47 780	54 845	59 361
Executive and council		16 132	21 242	16 470	38 711	35 886	35 886	27 292	28 657	28 719
Budget and treasury office		9 513	6 627	15 823	-	-	-	-	-	-
Corporate services		10 624	12 582	19 867	24 546	21 672	21 672	20 488	26 188	30 582
Community and public safety		17 022	20 702	19 494	18 129	18 477	18 477	23 800	25 077	25 077
Community and social services		2 187	2 833	3 337	4 087	3 512	3 512	5 175	5 446	5 446
Sport and recreation		3 647	4 154	5 073	-	-	-	-	-	-
Public safety		7 111	9 185	10 540	11 951	14 874	14 874	18 535	19 536	19 536
Housing		1 083	621	212	-	-	-	-	-	-
Health		2 994	3 909	334	90	90	90	90	95	95
Economic and environmental services		19 956	16 508	17 270	21 412	25 734	25 734	26 048	27 437	27 437
Planning and development		3 269	660	2 045	3 333	5 106	5 106	4 522	4 748	4 748
Road transport		16 687	15 848	15 225	18 078	20 628	20 628	21 527	22 689	22 689
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		34 099	49 228	56 516	75 111	75 459	75 459	87 339	92 056	92 056
Electricity		28 169	41 009	47 547	65 095	64 154	64 154	75 548	79 628	79 628
Water		-	-	-	-	-	-	-	-	-
Waste water management		63	88	-	-	-	-	-	-	-
Waste management		5 867	6 131	6 970	10 016	11 305	11 305	11 791	12 426	12 426
Other	4	3	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	107 349	126 889	145 441	175 908	177 229	177 229	184 968	199 415	203 871
Surplus/(Deficit) for the year		4 499	468	18 289	3 920	21 743	21 743	16 948	(7 983)	(3 096)

- The above budget table shows the revenue and expenditure allocations as per the municipal organogram.

Table 13 MBRR Table A3 – Budgeted Financial Performance by Vote

KZN245 Umvoti - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote										
Vote 1 - Assessment Rates		13 565	13 799	18 623	20 461	21 360	21 360	22 598	23 954	25 391
Vote 2 - Engineering Services		8 638	7 853	7 139	7 821	7 821	7 821	8 607	8 607	8 607
Vote 3 - Corporate Services		3 611	3 296	3 009	1 413	1 413	1 413	1 498	1 498	1 498
Vote 4 - Protection Services		6 655	6 050	5 500	4 069	4 069	4 069	4 320	4 320	4 320
Vote 5 - Council		13 012	23 865	39 390	67 107	85 351	85 351	84 772	72 931	80 837
Vote 6 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 7 - Financial Services		8 370	7 846	7 357	6 349	6 349	6 349	6 447	6 447	6 447
Vote 8 - Planning		3 562	3 329	3 111	4 423	4 423	4 423	4 173	4 173	4 173
Vote 9 - Mayor's Office		-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		54 435	61 320	79 601	68 186	68 186	68 186	69 503	69 503	69 503
- Community Services		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	111 848	127 357	163 730	179 828	198 971	198 971	201 917	191 432	200 775
Expenditure by Vote to be appropriated										
Vote 1 - Assessment Rates		(111 488)	(75 691)	(46 889)	-	-	-	-	33 333	37 789
Vote 2 - Engineering Services		33 240	30 863	44 379	40 995	40 995	40 995	28 578	28 578	28 578
Vote 3 - Corporate Services		23 805	22 140	22 302	15 722	15 722	15 722	16 818	16 818	16 818
Vote 4 - Protection Services		31 032	29 104	21 203	16 773	16 773	16 773	18 923	18 923	18 923
Vote 5 - Council		23 262	22 032	20 240	14 963	14 963	14 963	15 078	15 078	15 078
Vote 6 - Municipal Manager		9 261	8 627	7 506	18 125	19 446	19 446	5 307	5 307	5 307
Vote 7 - Financial Services		15 903	14 807	14 021	9 554	9 554	9 554	11 642	11 642	11 642
Vote 8 - Planning		6 359	5 949	4 825	5 396	5 396	5 396	5 954	5 954	5 954
Vote 9 - Mayor's Office		1 892	1 763	2 377	2 553	2 553	2 553	5 307	5 307	5 307
Vote 10 - Electricity		73 738	67 310	61 970	51 828	51 828	51 828	58 474	58 474	58 474
- Community Services		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	107 005	126 904	151 935	175 909	177 229	177 229	166 082	199 415	203 871
Surplus/(Deficit) for the year	2	4 843	453	11 795	3 920	21 742	21 742	35 835	(7 983)	(3 096)

- The above table indicate the aggregated revenue budgeted including the capital allocations to be received under each municipal vote
- The table also shows operational expenditure budget and the previous audited actual expenditure incurred.

Table 14 MBRR Table A4 – Budgeted Financial Performance

KZN245 Umvoti - Table A4 Budgeted Financial Performance (revenue and expenditure)

Table A: Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		1 180	1 251	1 127	1 330	1 300	1 300	-	1 551	1 629	1 710
Service charges - electricity revenue	2	-	-	-	10	5	5	-	5	5	6
Service charges - water revenue	2	337	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other		317	563	778	872	872	872	-	1 256	1 324	1 395
Rental of facilities and equipment		2 996	2 819	2 881	3 032	715	3 005	-	555	585	617
Interest earned - external investments		2 939	3 261	3 886	2 700	3 000	3 000	-	3 000	3 162	3 333
Interest earned - outstanding debts		157	154	170	183	172	172	-	180	190	200
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		325	491	846	804	704	704	-	800	843	889
Licences and permits		2 071	1 914	1 990	2 045	1 864	1 864	-	1 951	2 056	2 167
Agency services		925	970	1 054	1 110	1 100	1 100	-	1 550	1 634	1 722
Transfers recognised - operational		34 399	44 951	51 948	67 053	69 521	69 521	-	-	-	-
Other revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of PPE		91	-	210	10	10	10	-	10	11	11
Total Revenue (excluding capital transfers and contributions)		45 738	56 374	64 890	79 149	79 263	81 553	-	19 858	21 438	22 049
Expenditure By Type											
Employee related costs	2	-	-	-	-	-	-	-	-	-	-
Remuneration of councillors		4 316	4 668	6 488	6 729	7 317	7 317	-	6 320	6 661	7 021
Debt impairment	3	618	9	3 532	3 180	3 180	3 180	-	-	3 500	-
Depreciation & asset impairment	2	4 549	5 016	6 619	8 577	8 577	8 577	-	10 215	10 726	11 262
Finance charges		41	23	16	-	-	-	-	-	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	9 459	8 863	4 705	3 227	3 227	3 227	-	3 654	3 636	4 028
Contracted services		-	-	-	-	-	-	-	-	-	-
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	-	-	-	-	-	-	-	-	-	-
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		18 982	18 579	21 360	21 713	22 301	22 301	-	20 188	24 723	22 311
Surplus/(Deficit)											
Transfers recognised - capital	6	11 326	8 604	25 702	-	35 976	35 976	-	-	-	-
Contributions recognised - capital		248	4 550	6 343	15 360	-	-	-	-	-	-
Contributed assets		-	-	(6 480)	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		38 330	50 950	69 095	72 795	92 937	95 227	-	(9 331)	(13 285)	(10 262)
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		38 330	50 950	69 095	72 795	92 937	95 227	-	(9 331)	(13 285)	(10 262)
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		38 330	50 950	69 095	72 795	92 937	95 227	-	(9 331)	(13 285)	(10 262)
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		38 330	50 950	69 095	72 795	92 937	95 227	-	(9 331)	(13 285)	(10 262)

- The above table indicate that the municipality has budgeted for a deficit of R9.3 million in 2014/15, escalates to R13.3 million in 2015/16 and decrease to R10.3 million in 2016/17
- The deficit is caused by that the budgeted operating expenditure exceeds the budgeted revenue to be generated. This results in the municipal reserves to be depleted.

Table 15 MBRR Table A5 – Budgeted Capital Expenditure

KZN245 Umvoti - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital Expenditure - Standard											
Governance and administration		1 403	1 078	4 020	1 993	1 666	1 666	-	11 303	1 418	4 107
Executive and council		1 328	961	1 625	695	916	916		2 065	80	4 000
Budget and treasury office		75			82	135	135				
Corporate services			117	2 384	1 216	615	615		8 638	1 338	107
Community and public safety		467	3 196	6 513	5 014	5 119	5 119	-	11 405	4 310	5 050
Community and social services		403	1 573	5 857	788	1 367	1 367		9 835	110	50
Sport and recreation											
Public safety		84	1 623	656	4 228	3 752	3 752		1 570	4 200	5 000
Housing											
Health											
Economic and environmental services		16 368	6 243	27 589	16 528	24 906	24 906	-	30 100	33 793	34 845
Planning and development			30	1 994							
Road transport		16 368	6 213	25 596	16 528	21 796	21 796		30 100	33 793	34 845
Environmental protection						3 110	3 110				
Trading services		2 839	1 782	1 153	4 950	4 950	4 950	-	14 705	30 000	36 000
Electricity		2 663	1 188	863	4 950	4 950	4 950		14 705	30 000	38 000
Water											
Waste water management											
Waste management		175	595	290							
Other						100	100				
Total Capital Expenditure - Standard	3	21 096	12 299	39 275	28 485	36 741	36 741	-	67 513	69 521	82 002
Funded by:											
National Government		19 031	7 400	26 459	21 478	26 746	26 746		37 497	56 793	65 845
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	19 031	7 400	26 459	21 478	26 746	26 746	-	37 497	56 793	65 845
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		2 065	4 899	12 817	7 007	9 985	9 995		30 016	12 728	16 157
Total Capital Funding	7	21 096	12 299	39 275	28 485	36 741	36 741	-	67 513	69 521	82 002

- The municipality has a capital expenditure budget of R67.5 million in 2014/15, which is budgeted to be funded by R37.5 million from National grants and by R30 million from internal funding.
- The R30 million internal funding is not affordable and the budget needs to be downsized to reflect a budget that can be realistically funded.

The below table indicates the breakdown of each item budgeted from each municipal function:

Capital Expenditure Break down: 2014/15	
Council	
Item	Amount
Club House Polo Cross	155000
Extension Of Council Chamber	850000
Urn	5000
Council Chamber Chairs	20000
Water Dispenser	5000
Council Chamber Tables	20000
Mayorai Projects	1500000
Protection Services	
Radios	150 000.00
Robots	1 000 000.00
Breathalyzer x 4	200 000.00
Speed Machines x 2	150 000.00
Sirens x 3	70 000.00
Motor Bikes x 2	200 000.00
Road Painting Machine	200 000.00
Fire Brigade - Tools & Equipment	80 000.00
Desks x 5	50 000.00
Fire Brigade - Tools & Equipment	80 000.00
Extension of The Pit LANE	80 000.00
Carports	80 000.00

CEMETERY	
Fencing-Regional Cemetery Phase 2	3 000 000.00
Upgrade of Regional Cemetery Phase 2	3 000 000.00
Fencing Enhlakahle old Cemetery Phase 2	1 500 000.00
Kranskop Cemetery	2 000 000.00
engineer pump heavy duty	10 000.00
ROADS	
Roads Projects	30 000 000.00
ELECTRICITY	
Reticulation Projects	14 705 000.00
Parks and Gardens	
King Edward Park Guard house	100 000.00
Lawmower	80 000.00
Brush cutter	80 000.00
shredding machinery	500 000.00
Poneprunner chainsaw	12 000.00
Corporate Services	
Maphanga Road 078 (Razor Fencing)	20 000.00
Kranskop Library	68 000.00
TM Library	36 500.00
Lake Merthley-Fencing	200 000.00
Kranskop Hall 079	10 000.00
Community Participation: Double Cab 4x4	400 000.00
Corsa Mini Cab	250 000.00
Mayoral Motor Vehicle	700 000.00
Museum-Camera	1 200.00
Museum:Fridge	1 800.00
Records: Franking Machine	12 000
Records: Industrial Shredding Machine	35 000

PUBLIC WORKS	
High Rider/Single Cap	320000
CLEANSING DEPARTMENT	
50 Ton Truck hooklift	4000000
10X 28 Cubic metre	100 000.00
20x 800litre bins	360 000.00
250X -250litres Trilley bins	1 000 000.00
Mechanical Workshop	
26 Tyre Changer	80 000.00
Wheel Balancer	40 000.00
PLANNING	
LAP TOP COMPUTER (2)	20 000.00

Table 16 MBRR Table A6 – Budgeted Financial Position

KZN245 Umvoti - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
ASSETS											
Current assets											
Cash		2 831	4 285	1 027	1 000	1 000	1 000		1 100	1 500	1 700
Call investment deposits	1	45 729	60 020	47 491	39 121	42 624	42 624	-	14 786	20 312	22 974
Consumer debtors	1	16 343	18 590	18 620	17 409	17 475	17 475	-	19 611	19 055	18 914
Other debtors		5 548	1 807	10 329	2 000	2 000	2 000		1 600	1 400	1 500
Current portion of long-term receivables		24	31	1	20	20	20				
Inventory	2	1 254	1 354	1 462	1 700	2 000	2 000		1 500	1 561	1 668
Total current assets		71 530	86 097	78 930	61 250	65 119	65 119	-	38 597	43 848	46 754
Non current assets											
Long-term receivables		34	0		60	60	60				
Investments											
Investment property		64 189	20 884	20 884	73 620	20 884	20 884		20 884	22 137	23 465
Investment in Associate											
Property, plant and equipment	3	389 270	363 713	385 428	406 903	396 675	396 675	-	437 155	475 735	526 863
Agricultural											
Biological											
Intangible			148	148		148	148		148	153	157
Other non-current assets											
Total non current assets		453 494	384 746	406 480	480 583	417 767	417 767	-	458 187	498 025	550 286
TOTAL ASSETS		525 024	470 843	485 390	541 833	482 886	482 886	-	496 784	541 873	597 040
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	125	82	-	-	-	-	-	-	-	-
Consumer deposits		1 849	1 988	2 139	2 500	2 500	2 500		2 268	2 390	2 519
Trade and other payables	4	22 788	32 331	28 532	27 850	27 850	27 850	-	23 000	23 000	23 000
Provisions		362	339	461						-	-
Total current liabilities		25 124	34 740	31 132	30 350	30 350	30 350	-	25 268	25 390	25 519
Non current liabilities											
Borrowing		82	-	-	-	-	-	-	-	-	-
Provisions		8 000	8 023	14 382	8 000	8 000	8 000	-	14 382	15 173	15 600
Total non current liabilities		8 082	8 023	14 382	8 000	8 000	8 000	-	14 382	15 173	15 600
TOTAL LIABILITIES		33 206	42 762	45 513	38 350	38 350	38 350	-	39 649	40 563	41 119
NET ASSETS	5	491 818	428 081	439 877	503 483	444 536	444 536	-	457 135	501 310	555 921
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		138 551	116 151	139 970	140 363	140 510	140 510		156 559	204 589	263 000
Reserves	4	353 267	311 930	299 906	363 120	304 026	304 026	-	300 576	295 392	289 972
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	491 818	428 081	439 876	503 483	444 536	444 536	-	457 135	499 981	552 972

- The above table shows the effect of the budget on the financial position of the municipality at the end of each budget year.

Table 17 MBRR Table A7 – Budgeted Cash Flow

KZN245 Umvoti - Table A7 Budgeted Cash Flows

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other			63 107	80 817	62 640	79 280	87 198	87 198		78 429	83 541	90 905
Government - operating		1	34 399	44 951	58 510	67 053	69 521	69 521		66 465	88 839	92 991
Government - capital		1	11 326	8 604	25 702	18 851	18 851	18 851		37 497	56 793	65 845
Interest			2 940	3 261	3 886	2 700	3 000	3 000		3 000	3 162	3 333
Dividends												
Payments												
Suppliers and employees			(82 597)	(109 405)	(127 523)	149 820	(149 493)	(149 493)		(154 107)	(162 275)	(170 876)
Finance charges			(40)	(23)	(16)							
Transfers and Grants		1								(1 400)	(1 540)	(1 617)
NET CASH FROM/(USED) OPERATING ACTIVITIES			29 134	28 206	23 198	317 704	29 077	29 077	-	29 884	68 320	80 581
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			91		210	10						
Decrease (increase) in non-current debtors			27	34	0							
Decrease (increase) other non-current receivables												
Decrease (increase) in non-current investments												
Payments												
Capital assets			(21 096)	(12 299)	(39 274)	(24 851)	(32 351)	(32 351)		(60 761)	(62 569)	(77 902)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(20 978)	(12 265)	(39 064)	(24 841)	(32 351)	(32 351)	-	(60 761)	(62 569)	(77 902)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans												
Borrowing long term/refinancing												
Increase (decrease) in consumer deposits			80	139	151	300	300	300		166	174	183
Payments												
Repayment of borrowing			(108)	(125)	(82)							
NET CASH FROM/(USED) FINANCING ACTIVITIES			(28)	14	69	300	300	300	-	166	174	183
NET INCREASE/ (DECREASE) IN CASH HELD			8 129	15 955	(15 797)	293 163	(2 974)	(2 974)	-	(30 711)	5 926	2 862
Cash/cash equivalents at the year begin:		2	40 232	48 361	64 316	46 597	48 519	48 519	48 519	46 597	15 886	21 812
Cash/cash equivalents at the year end:		2	48 361	64 316	48 519	339 760	45 545	45 545	48 519	15 886	21 812	24 674

- The above table indicates the effects on the municipality's Cash flow on the implementation of the budgeted Operating expenditure, capital expenditure and revenue to be collected.

Collection rate of 80 percent was used to estimate the collectable revenue from the billed revenue on budget table A4.

- In 2014/15 it shows that the cash held will decrease by R30 million due to that the budgeted expenditure exceeds the cash to be received. Expenditure needs to be downsized in order to protect municipal reserves.

Table 18 MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

KZN245 Umvoti - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	48 361	64 316	48 519	339 760	45 545	45 545		15 886	21 812	24 674
Other current investments > 90 days		(1)	(1)	(1)	(299 639)	(1 921)	(1 921)		-	-	-
Non current assets - Investments	1	-	-	-	-	-	-		-	-	-
Cash and investments available:		48 360	64 315	48 518	40 121	43 624	43 624	-	15 886	21 812	24 674
Application of cash and investments											
Unspent conditional transfers		5 401	14 210	6 562	10 000	10 000	10 000	-	5 000	4 500	4 000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	-	-	-	-	-	-	-	-	-	-
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		5 401	14 210	6 562	10 000	10 000	10 000	-	5 000	4 500	4 000
Surplus(shortfall)		42 959	50 105	41 956	30 121	33 624	33 624	-	10 886	17 312	20 674

The above table indicates the net effect on the cash after providing for the budgeted unspent portion of conditional grants which amounts to R10.9 million. This is a major decrease from the R41.9 million held in the 2012/13 financial year.

Table 19 MBRR Table A9 – Asset Management

KZN245 Umvoti - Table A9 Asset Management

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	21 096	12 299	39 275	28 485	36 740	36 740	56 781	58 789	72 395
Infrastructure - Road transport		11 496	6 278	25 646	14 981	21 796	21 796	30 000	26 793	27 845
Infrastructure - Electricity		3 889	1 076	797	4 930	4 930	4 930	14 705	30 000	38 000
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		15 385	7 354	26 443	19 911	26 726	26 726	44 705	56 793	65 845
Community		1 260	1 438	4 019	3 823	5 383	5 383	3 495	1 210	2 550
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	4 452	3 508	8 813	4 752	4 632	4 632	8 581	786	4 000
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	10 732	10 732	9 607
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	7 000	6 000
Infrastructure		-	-	-	-	-	-	-	7 000	6 000
Community		-	-	-	-	-	-	9 510	3 100	3 500
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	1 222	632	107
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		11 496	6 278	25 646	14 981	21 796	21 796	30 000	26 793	27 845
Infrastructure - Electricity		3 889	1 076	797	4 930	4 930	4 930	14 705	30 000	38 000
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	7 000	6 000
Infrastructure		15 385	7 354	26 443	19 911	26 726	26 726	44 705	63 793	71 845
Community		1 260	1 438	4 019	3 823	5 383	5 383	13 005	4 310	6 050
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		4 452	3 508	8 813	4 752	4 632	4 632	9 803	1 418	4 107
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	21 096	12 299	39 275	28 485	36 740	36 740	67 513	69 521	82 002

ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		53 222	164 527	179 812		157 454	157 454	209 912	206 914	237 830
Infrastructure - Electricity		12 341	56 733	55 514		55 507	55 507	70 219	100 219	138 219
Infrastructure - Water						-	-			
Infrastructure - Sanitation						22 358	22 358			
Infrastructure - Other						7	7			
Infrastructure		65 563	221 260	235 326	-	235 326	235 326	280 131	307 133	376 049
Community		13 972	29 811	32 214		32 214	32 214	42 049	42 159	42 209
Heritage assets		265	314	314		314	314	314	314	314
Investment properties		64 189	20 884	20 884	73 620	20 884	20 884	20 884	22 137	23 465
Other assets		309 470	112 328	117 574		128 821	128 821	113 165	124 795	106 928
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	149	148	-	148	148	148	153	157
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	453 460	384 746	406 460	73 620	417 707	417 707	456 691	496 690	549 122
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		16 785	16 823	17 560	21 251	19 843	19 843	21 543	23 988	26 974
Repairs and Maintenance by Asset Class	3	4 549	5 016	6 619	8 577	8 577	8 577	10 215	10 726	11 262
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	4 549	5 016	6 619	8 577	8 577	8 577	10 215	10 726	11 262
TOTAL EXPENDITURE OTHER ITEMS		21 333	21 839	24 179	29 828	28 420	28 420	31 758	34 714	38 236
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.9%	15.4%	11.7%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	49.8%	44.7%	35.6%
R&M as a % of PPE		1.2%	1.4%	1.7%	2.1%	2.2%	2.2%	2.3%	2.3%	2.1%
Renewal and R&M as a % of PPE		1.0%	1.0%	2.0%	12.0%	2.0%	2.0%	5.0%	4.0%	4.0%

- The above table indicates the total capital expenditure budgeted over the MTREF and Asset register value after incorporating the budgeted capital expenditure and depreciation on the municipal assets.

Table 20 MBRR Table A10 – Service Delivery Measurements

KZN245 Umvoti - Table A10 Basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)		766	939	1 054	1 159	1 159	1 159	1 159	1 194	1 206
Other energy sources		766	939	1 054	1 159	1 159	1 159	1 159	1 194	1 206
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
Removed at least once a week		-	-	-	-	-	-	-	-	-
Other energy sources	0	766	939	1 054	1 159	1 159	1 159	1 159	1 194	1 206
Refuse:										
Removed at least once a week										
Other energy sources		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		2 683	2 667	2 680	2 948	2 948	2 948	2 948	3 036	3 067
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
Removed at least once a week		2 663	2 667	2 680	2 948	2 948	2 948	2 948	3 036	3 067
Other energy sources	0	2 663	2 667	2 680	2 948	2 948	2 948	2 948	3 036	3 067
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)		571	691	780	900	900	900	918	927	936
Refuse (removed at least once a week)		229	262	318	360	360	360	367	371	375
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)		358	392	583	641	641	641	641	641	641
Refuse (average litres per week)		229	576	703	773	773	773	773	773	773
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Electricity/other energy		571	691	780	900	900	900	927	936	946
Refuse		229	262	318	360	360	360	371	375	378
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other	6									
Total revenue cost of free services provided (total social package)		800	953	1 098	1 260	1 260	1 260	1 298	1 311	1 324

- The above table shows the service delivery levels of the municipality based on the capital budget and past service delivery performance.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

2.1.1 2015 Budget Process Overview

Table 20-IDP and Budget Timelines

No	Description	Date
1.	Communicate Budget Timetable to Council	27 SEPTEMBER 2013
2.	Advert in Local Press publishing budget process and for community consultation \ Registration	4 OCTOBER 2013
3.	Various departments finalize staff structure and staff budgets (salaries)	14 OCTOBER 2013
4.	Ward Councillors arrange Ward Committee meetings to identify Ward priorities	15 – 21 OCTOBER 2013
5.	Various Departments finalize own draft operating budget	21 OCTOBER 2013
6.	Various departments finalize own draft capital budget	31 OCTOBER 2013
7.	IDP Manager liaises with Ward Councillors to obtain Ward priorities to be included in the IDP.	1 November 2013
8.	Strategic Planning Workshop	12- 13 NOVEMBER 2013
9.	Chief Financial Officer to consolidate Department draft budget	20 NOVEMBER 2013
10.	Mayor convenes Special EXCO Meeting for each Department Manager to motivate staff structure, operating and capital budget	29 NOVEMBER 2013
11.	Managers to submit proposed tariff of charges in terms of the outcome of the above Exco Meeting	4 December 2013
12.	Special EXCO convened by Mayor to allow public participation and submission of role players registered	12 DECEMBER 2013
13.	Chief Financial Officer to finalize draft budget and submit to Special Exco convened by the Mayor	20 DECEMBER 2013
14	Special Council: Tabling of Annual report (AG to be first on the Agenda) & Adjustment Budget.	15 JANUARY 2014
15.	Chief Financial Officer reviews the under mentioned by : 15.1 Council reviews credit control, indigent relief, rates and tariff policies 15.2 Chief Financial Officer reviews national and provincial allocations to municipality for incorporation in the draft budget 15.3 Chief financial Officer integrates draft budget with IDP and in consultation with Mayor revises budget 15.4 Chief Financial Officer finalizes draft budget incorporating a three year financial plan	22 JANUARY 2014 22 JANUARY 2014 24 JANUARY 2014 31 JANUARY 2014
16.	Special Council: 2013/2014 Budget & report on status of next three year Budget.	29 JANUARY 2014
	Mayor, Accounting Officer and Chief Financial Officer workshop council on proposed budget	5 FEBRUARY 2014

2.1.2 IDP and Service Delivery and Budget Implementation Plan

2.2.1.1 Overview of alignment of annual budget with IDP

- The below table shows the prioritized ward projects as per the IDP:

Table 21-Ward Projects

Ward Priority	Project Name	Ward No.
1	Makhazeni access road	1
2	Domrey Hall Upgrade	1
3	Bubu crèche	1
4	Hlwimbithwa Community Hall	1
5	Ncutwane bridge	1
1	2000 sitter Community Hall	2
2	Matimatolo Street lights (High mast lights)	2
3	Access Roads	2
4	Mbangweni Sports field	2
5	Kwaskobho Hall and creche	2
1	Mahulula access road	3
2	Ngqayizivele access road	3
3	Vakumlomo access road	3
4	Bhakabhaka access road	3
5	Mdletanto access road	3
1	High Mast Street lighting	4
2	From Eshane Hall to KwaMbambo access road	4
3	From Eshane Hall to Pholani access road	4
4	Mhlazane access road upgrade (blacktop)	4
5	Lilani Community Hall	4
1	Esitikitikini Community Hall	5
2	Magwegwe Community Hall	5
3	Mthiyagwa creche	5
4	Continuation of Dulumbe Phase 2	5
5	Nsongeni Community Hall	5
1	Mhlabathini Community Hall	6
2	Vukaphansi creche	6
3	Magobhe creche	6
4	Estukva road upgrade	6
5	Edimane bridge	6
1		7
2		7
3		7
4		7
5		7
1	Nsundu road to Engcakini with related courseway	8
2	Esihlabeni access road	8
3	Maqwayibeni access road	8
4	Elangeni creche	8
5	Emahluzibani creche	8

2.2 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.2.1 Review of credit control and debt collection procedures/policies

The Collection Policy as approved by Council is currently under review. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2013/14 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 80 per cent on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the Municipality's cash levels. In addition, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the policy.

2.2.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the Municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

2.2.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and

adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.2.4 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on.

2.2.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations. The Budget and Virement Policy was approved by Council and was amended soon in respect of both Operating and Capital Budget Fund Transfers.

2.2.6 Cash Management and Investment Policy

The Municipality's Cash Management and Investment Policy is to be amended by Council. The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

2.2.7 Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

All the above policies will be available on the Municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

Table 22-2014/15 Municipal Tariffs

UMVOTI MUNICIPALITY		
TARRIF OF CHARGES		
1. PUBLIC WORKS (Subject to an exclusive of VAT)	2013/2014	2014/2015
	Tariffs	Tariffs
1.1 REFUSE REMOVAL SERVICES		
(1) Residential, churches & welfare organizations - Once a week services for not more than two receptacles, Per consumer, per month . Greytown per bin Kranskop per b	R 95.00	R 100.30
(2) All other institutions and business - for the first bin, maximum four times weekly, per month, Should there not be an electricity account a deposit of R1000.00 would be required to prepay for collection.	R 258.80	R 273.30
	Per 240 litre bin	
(3) Rental for 240 litre bin	R 33.00	R 34.90
	Per month	
(4) 4 cubic meter container	R 1 345.00	R 1 420.30
	Per removal	
(5) rental of containers	R 301.70	R 318.60
	Per month	
(6) Each additional bin (number as assessed by C.H.S.) Per month	R 144.40	R 152.50
(7) Loose refuse, i.e. not in bags or approved receptacle, per removal, to be paid in advance unless authorized by the Municipal Manager	R 883.90	R 933.40
(8) (a) Purchase of refuse bags, per each	R 14.00	R 14.80
(b) purchase of refuse bags, per pack of 25	R 350.70	R 370.30
(6) All gardens and other types of refuse - per load or part thereof to be paid in advance unless authorized by the Municipality Manager	R 350.70	R 370.30
(7) Dumping at refuse transfer station		
(a) 1 ton truck or part thereof	R 657.80	R 694.60
(b) 3 to truck	R 1 983.80	R 2 095.00
(c) Tractor / trailer	R 2 660.00	R 2 810.00
1.2 REMOVAL OF CARCASSES		
1. Cats and Dogs	R 90.70	R 95.80
2. Sheep, pigs and goats, each	R 1 289.00	R 1 361.00
3. Cattle, horses and mules, each	R 348.90	R 368.00
1.3 VACUUM TANKER REMOVALS		
Each tank load or part thereof	R 613.50	R 648.00
1.4 SUNDRY HEALTH SERVICES		
1.5 (1) (a) for cutting down and removing Overgrowth vegetation, for the first 2 024 sq. meters or part thereof, payable in advance	R 1 330.00	R 1 405.00
(b) for each additional 2 024 sq. meters or part thereof, payable in advance	R 653.80	R 690.00
(c) if cleared in default - for each 2 024 sq. meters or part thereof, an additional	R 719.20	R 760.00
2. Removal of scrap vehicles, each	Cost + 10%	Cost + 10%
3. (a) hire of portable toilets, per each, per day or part thereof	R 110.20	R 116.40
(b) Charitable organization and sporting bodies per each, per day or thereof	R 40.80	R 43.00
(c) Hire of portable toilets (flush type), per each, per day or thereof	R 356.40	R 376.30

ELECTRICITY TARIFF (SUBJECT TO AN EXCLUSIVE OF VAT)(2014 - 2015 YEAR)	2013/2014	2014/2015
	Tariffs	Tariffs
1. The following charges shall be payable to the Council for the supply of electricity even in the event of temporarily disconnected from the supply: (FOR THE 2014 - 2015) FINANCIAL YEAR		
(a) Domestic consumers (including sporting bodies, churches, schools and charitable organizations) must elect one of the following tariff options.		
TARIFF OPTION 1		
(i) A monthly basic charge per amp per month.	R4.05	R 4.35
(ii) An energy charge per kilowatt hour.	R 1.0379	R 1.1145
(iii) An energy charge per kilowatt hour(INDIGENT) tariff code 579 (conv. Meter)	R 0.7491	R 0.8045
TARIFF OPTION 2		
(i) An energy charge per kilowatt hour with no monthly basic charge.	R 1.4116	R 1.5160
PERPAID METERING		
(i) An energy charge per kilowatt hour for -(INDIGENT)	R 85.98	R 9.00
(ii) An energy charge per kilowatt hour for -(OTHER)	R 135.32	R 1.4532
(b) Large power users (applicable to consumers with an installed capacity of in excess of 65 KVA)		
(i) A KVA maximum demand charge per month measured over any consecutive thirty minutes during the month.	R 158.72	R 170.45
(ii) A monthly basic charge per month.	R 1 179.14	R 1 266.28
(iii) An energy charge per kilowatt hour.	R 0.7214	R 0.7747
(c) Commercial Consumers/Other		
(i) A monthly basic charge per amp per phase calculated on the sum total of the tripping current.	R 4.86	R 5.22
(ii) An energy charge per kilowatt hour.	R 1.2636	R 1.3669
(d) Availability charge on registered lots with or without improvements which are not connected to the Council's electricity supply and where such properties are situated within 200 meters of a municipal power line and which can reasonably be connected thereto:		
I. On lots proclaimed for residential use, Per lot, per month	R 84.24	R 90.45
II. On lot proclaimed for commercial or industrial Use per lot, per month	R 162.86	R 175.00
(e) Sport Fields		
Applicable to all sport fields per Kwh	R 1.3651	R 1.4660
(f) Non-metered consumers (Display Signs)		
Applicable to non-metered consumers:		
Fees for each 200W or fitting or part thereof, per Month	R 92.12	R 99.00
(g) Street Lights		
Applicable to street lights per Kwh.	R 1.3651	R 1.4660
(I) REBATE/SURCHARGE		
Not with standing the foregoing, Council may from time to time determine a rebate/surcharge in respect of unit charges up to a maximum of 20%		

2.2 CONNECTION FEES	2013/2014	2014/2015
All connection fees prescribed below shall be payable in advance; provided however; that where no fixed fee is actually prescribed and the fee	Tariffs	Tariffs
estimated exceeds the actual costs as calculated after the work has been completed, the applicant shall be refunded the difference and conversely,		
the council shall be reimbursed where it is established that the cost calculated exceeds the fee actually charged.		
(1) Consumers requiring a single - phase connection		
Not exceeding 100 Amp residential, up to the Property boundary	cost + 10%	Cost + 10%
	Min R 1 703.50	
(2) Consumers requiring a three-phase connection		
Not exceeding 100 Amp per phase: residential, up to the property boundary	Cost + 10%	Cost + 10%
	Min R 2 278.50	
(3) Business consumers requiring a connection	Cost + 10%	Cost + 10%
	Min 2 278.50	
(4) Consumers with a load exceeding 100 amp three phase	Cost + 10%	Cost + 10%
	Min 4 312.40	
(5) All temporary consumers will be required to pay for all		
For the supply and installation of the equipment	Cost + 10%	Cost + 10%
Necessary for making the connection.	Min 2 278.50	
2.3 SUNDRY FEES		
(1) Reconnections:		
After a consumer has requested that the Installation be disconnected	R 85.50	R 91.80
(a) After Installation is disconnected for non payment of account or non-compliance with bylaws	R 273.10	R 293.30
(2) Tampering Fees		
(a) First Tamper R 2500.00 Plus back charges on electricity consumed	R 2 500.00	R 2 750.00
(b) Second Tamper R 5000.00 plus back charges on electricity consumed	R 5 000.00	R 5 500.00
(c) Third Tamper - Hard disconnection, R 7000.00 plus back charges on electricity consumed and on request of a re-connection	R 7 000.00	R 7 500.00
- All arrears on service account must be paid in full		
- Full cost of new service connection must be paid by consumer.		
(3) Restoration of supply after failure due to faults on Consumers installation.		
(a) Normal working hours	R 345.00	R 370.00
(b) Outside normal working hours	R 710.90	R 765.00
(4) Testing of meters		
Testing of meters' In accordance with bylaw 10(3)	R 567.10	R 610.00
(5) Changing of MCB:		
(a) Scale A: (Changing single-phase MCB to lower rating at request of consumer)	R 330.60	R 355.00
(b) Scale B; (Changing three-phase MCB to lower rating at request of consumer)	R 718.80	R 772.00
(6) Checking of meter reading in accordance with bylaw 9(3)	R 193.40	R 207.00
(7) Serving of notice in accordance with bylaw 40(1)	R 57.50	R 61.80

	2013/2014	2014/2015
	Tariffs	Tariffs
3.1 CEMETRY: KRANSKOP		
(1) Exhumation fee	R 537.90	R 568.00
(2) Burial Fee	R 250.60	R 265.00
(3) Additional Charge for burial held after normal working hours including Weekends and public holidays	R 54.40	R 57.50
(4) Fee for the reservation of burial plots for a period over 50 years	R 539.10	R 570.00
(5) Permit to erect a memorial on grave site	R 125.40	R 132.49
(6) Indigent who qualifies in terms of council's indigent Policy and active staff members	R 75.70	R 80.00
3.2 CEMETRY: GREYOWN		
(1) Exhumation fee	R 1 505.10	R 1 590.00
(2) (a) burial fee (residents)	R 757.90	R 800.00
(b) burial fee (non-residents)	R 1 505.10	R 1 590.00
(3) Additional charge for burial held after normal working hours including weekends and public holidays	R 278.00	R 295.00
provided that this additional charge may be waived at the discretion of the Council.		
(4) Where the size of the grave exceeds 2,2 meters in length and 1,05 meters in width, an additional amount payable shall be	R 234.00	R 247.00
(5) Burial of ashes in plot or Wall Remembrance	R 163.10	R 172.00
(6) Fee for reservation of grave plot for a period of ten years	R 1 508.20	R 1 595.00
(7) Reservation of niche in Wall of Remembrance for a period of 10 years	R 160.10	R 169.00
(8) Permit to erect a memorial on a grave site or plaque on Wall Remembrance	R 160.10	R 169.00
(9) Indigent who qualifies in terms of council's indigent policy	R 75.70	R 80.00
(10) Burial of active staff members	R 75.70	R 80.00
4. KEEPING OF ANIMALS AND BIRDS		
4.1 POUND		
(1) Impounding fee for domestic animals, per animal	R 91.40	R 96.50
(2) Veterinary costs, kennel fees (if incurred)	cost plus 10%	cost plus 10%
4.2 MISCELLANEOUS CHARGES		
(2) Water samples for analysis	R 228.00	R 241.00
(3) Milk samples for analysis	R 342.70	R 362.00
5. LIBRARY		
(1) Tariffs as contained in bylaw 5(2) Chapter XV11 of the Standard Bylaws published under Provincial Notice 87 on 10 March 1953, as amended from time to time:		
(2) Membership Fee		
(a) Adults, per annum.	R 120.00	R 127.00
(b) Children under 14 years, per annum	R 40.00	R 42.00
(c) Family, per annum	R 140.00	R 148.00
(3) Group Activities Room:		
(a) Morning session 08:00 - 12:00		
(b) Afternoon session 12:00 - 17:00		
(c) Evening session 17:00 - 24:00		
For the use of the Group Activities room by persons or Organizations:		
(i) Other than those referred to in section Of the Public Library Bylaws, per session or part thereof	R 85.00	R 90.00
(ii) For personal gain, per session or part thereof	R 150.00	R 158.00
(iii) A penalty for late return of library material	R 1.00	1.0 per day
	or part thereof	part thereof
(4) Internet fee 15 min	free	
30 min	free	
1 hour	free	
(5) Deposit	R 500.00	

6. MUSEUM		
Entry fee:	Nil	Nil
7. GENERAL		
	2013/2014	2014/2015
7.1 HIRE OF TOWN HALL AND OTHER ROOMS	Tariffs	Tariffs
The charges for the use of the Town Hall and Supper Room Shall be payable by the Financial Management at the times of making reservation. The prescribed fees shall apply in respect of each session and for the purpose of these tariffs, a day shall be deemed to be divided in three sessions, namely:		
Morning session: 08:00 - 12:00		
Afternoon session: 12:00 - 17:00		
Evening session: 17:00 - 24:00 but to 03:00 the following day in the case of dances.		
(1) TOWN HALL		
(a) Dances, Cabarets, Discos, Plays, Concerts, Cinema Shows, Fashion Shows, and The Like	per session	
(08:00 to 24:00 on the day of the function and up to 10:00 on the day after for cleaning)		
(i) professional (conducted for personal gain)	R 1 284.00	R 1 356.00
(ii) local societies/organizations (conducted in aid of any charitable, sporting, cultural, religious or social organizations established-within the Municipality) and schools	R 481.50	R 500.00
(iii) Other	R 497.55	R 525.00
(iv) preparation/rehearsals:		
1. Evening Session	R 321.00	R 340.00
2. Daytime session	R 181.90	R 190.00
(b) Weddings, Wedding Receptions, Parties and The Like: (08:00 to 24:00 on the day of the function and up to 10:00 on the day after, for cleaning)	R 1 070.00	R 1 130.00
(i) Preparation:		
1. Evening	R 214.00	R 225.00
2. Daytime session	R 181.90	R 190.00
(c) Meetings, Talks, Lectures, Conferences and The Like:		
(i) professional (conducted for personal gain):		
1. Evening session per session	R 535.00	R 565.00
2. Daytime session per session	R 374.50	R 395.00
Local societies/organizations & schools:		
1. Evening session	R 267.50	R 282.00
2. Daytime session	R 214.00	R 224.00
(ii) Political		
1. Evening session	R 856.00	R 904.00
2. Daytime session	R 588.50	R 622.00
(iv) Other:		
1. Evening session	R 374.50	R 395.00
2. Daytime session	R 321.00	R 340.00
(v) preparation:		
1. Evening session	R 164.50	R 174.00
2. Daytime session	R 158.00	R 167.00
(d) Religious and Cultural Services, and Funerals:		
1. Evening session	R 374.50	R 395.00
2. Daytime session	R 214.00	R 224.00
(e) Bazaars, Fetes, Exhibitions, Arts, & Crafts and The Like		
(i) not for personal gain:		
1. Evening session	R 321.00	R 340.00
2. Daytime session	R 278.20	R 294.00
	per session	per session

June 2013

(ii) preparation:		
1. Evening session	R 192.60	R 204.00
2. Daytime session	R 176.60	R 186.00
(f) Display of Traveler's Samples, Auctions, Commercial and Industrial Sales, Exhibitions and The Like:		
(i) for personal gain:		
1. Evening session	R 1 926.00	R 2 035.00
2. Daytime session	R 1 605.00	R 1 695.00
(g) Municipal, Provincial, State or Other Purpose of A Public Nature approved by The Municipal Manager:		
(i) Each session	Nil	
(h) For any other purpose not specified above:		
(i) per session	R 535.00	R 565.00
(i) Hire of Furniture, Equipment and Appliances (Per Session)		
(i) Stove (Do not charge)	Nil	
(ii) Bain Marie.	R Nil	
(iii) Tables, per unit	R Nil	
	2013/2014	2014/2015
(j) Deposits:	Tariffs	Tariffs
(i) Hall hire.	R 2 500.00	R 2 640.00
(ii) minimum deposit live shows (i.e. discos, dances, beauty, contests etc.)	R 7 500.00	R 8 000.00
(k) Discount:		
A 30% discount shall apply to all tariffs from Mondays to Thursdays with the exception of the following:		
(i) on public holidays		
(ii) political meetings		
(iii) commercial functions		
(iv) preparation/rehearsals		
(v) equipment, appliances, furniture		
Notwithstanding the charges set out in the outgoing tariffs, the Council shall have the right to hire the hall and/or rooms. Furniture, equipment, and appliances for a specific term and purpose at special rates as may be agreed upon.		

(2) SUPPER ROOM		
The charge shall be one half of the appropriate Town Hall hire charge.		
(3) ENHLALAKAHLE HALLS		
(a) Dances, Cabaret, Discos, Plays, Concerts, Cinema Shows, Fashion Shows, and The Like	Per Session	
(08:00 to 24:00 on the day of the function and up to 10:00 on the day after for cleaning)		
(i) professional (conducted for personal gain)	R 1 070.00	R 1 130.00
(ii) Local societies/organizations (conducted in aid of any charitable, sporting, cultural, religious or social Organizations established within the Municipality) and school	R 428.00	R 452.00
(iii) other	R 535.00	R 565.00
(iv) preparation/rehearsals:		
1. evening session	R 214.00	R 226.00
2. daytime session	R 149.80	R 160.00
(b) Weddings:- Wedding Receptions, Parties and The Like:		
(08:00 to 24:00 on the day of the function and up to 10:00 on the day after, for cleaning)		
(i) Preparation	R 963.00	R 1 020.00
1. evening session	R 214.00	R 226.00
2. Daytime session	R 160.50	R 170.00
(c) Meetings, Talks, Lectures, Conferences and The Like:		
(i) professional (conducted for personal gain):		
1. evening session	R 267.50	R 282.00
2. Daytime session	R 246.10	R 260.00
(ii) Local societies/organizations & schools		
1. evening session	R 214.00	R 226.00
2. daytime session	R 192.60	R 205.00
(iii) political:		
1. evening session	R 642.00	R 680.00
2. daytime session	R 481.50	R 508.00
(iv) other:		
1. evening session	R 267.50	R 282.00
2. daytime session	R 246.10	R 260.00
(v) preparation:		
1. evening session	R 214.00	R 226.00
2. daytime session	R 192.60	R 205.00
(d) Religious and Cultural Services, and Funerals:		
1. evening session	R 214.00	R 226.00
2. daytime session	R 192.60	R 205.00
(e) Bazaars, Fetes, Exhibitions, Arts & Crafts and The Like:		
(i) not for personal gain:		
1. evening session	R 203.30	R 215.00
2. Daytime session	R 181.10	R 195.00
(ii) preparation:		
1. evening session	R 139.10	R 150.00
2. Daytime session	R 123.05	R 130.00
(f) Display of Traveler's Samples, Auctions, commercial and Industrial Sales, Exhibitions and The Like:		
(i) for personal gain:		
1. evening session	R 1 177.00	R 1 245.00
2. daytime session	R 1 016.50	R 1 080.00

(g) Municipal, provincial, State or Other Purpose of a Public Nature approved by The Municipal Manager:	2013/2014	2014/2015
(i) each session	Nil	
(h) For any other Purpose not specified above:		
(i) hall hire	R 1 605.00	R 1 695.00
(ii) deposit live shows (i.e. discos, dances, beauty contests etc.)	R 6 955.00	R 7 350.00
Discount:		
A 30% discount shall apply to all tariffs from Mondays to Thursdays with the exception of the following:		
(i) on public holidays		
(ii) political meetings		
(iii) commercial functions		
(iv) preparation/rehearsals		
(v) equipment, appliances, furniture		
Notwithstanding the charges set out in the foregoing tariffs, the Council shall have the right to hire the hall and rooms, furniture, equipment and appliances for a specific term and purpose at special rates as may be agreed upon.		
Kranskop Halls and Public Facilities		
(4) KRANSKOP: HALL	2013/2014	2014/2015
(a) the charges for the use for the Town Hall and Supper room shall be payable by the hirer to the Secretary at the time of making reservation.	Tariffs	Tariffs
The prescribed fees shall apply in respect of each session and for the purpose of these tariffs a day shall be deemed to be divided in three sessions, namely:		
The morning session: 08h00 - 12h00		
The afternoon session: 13h00 - 17h00		
The evening sessions: 18h00 - 24h00 but to 03h00 the following day in the case of dances.		

(b) HIRE		
		Afternoon Session
(i) Bazaars, exhibitions and flower shows		R 120.00
	(PROPOSED)	R 128.40
(ii) Dances, balls and cabarets		
	(PROPOSED)	
(iii) Professional entertainment		
(i.e. conduct for personal gain)		R 850.00
	(PROPOSED)	R 9 009.50
(iv) Amateur shows		R 363.00
	(PROPOSED)	R 363.00
Fees includes one full rehearsal during an equivalent session		
(v) Wedding receptions (including use of Town Hall on the day before hire for preparation and up to 10h00 on day after hire for cleaning up)		R 1 016.50
(vi) Public meeting or lectures		R 299.60
(vii) Churches		
A reduction of 50% of the appropriate hire charge shall be granted to local churches in respect of church functions.		
(viii) Charitable organizations		
On production of a financial statement relating to the function the Secretary may grant a discount not exceeding 50%		
(ix) Notwithstanding the charge set forth in the foregoing tariffs, the Secretary shall have the right to hire the hall and/or rooms for a specific term and purpose at special rates as may be agreed upon.		
(x) Sport Bodies (per Session)	R 100.00	R 105.00
(xi) Funerals	R 192.60	R 205.00
(c) DEPOSITS		
(i) Refundable deposit for hall hires	R 1 282.60	R 1 350.00

8. LAKHI'S SPORTFIELD AND KING EDWARD PARK		2013/2014	2014/2015
(a) Hire:		Tariffs	Tariffs
(1) Hiring of stand by circuses, fairs and the like, (exclusive of charge for sanitation, water and electricity), per day		R 1 284.00	R 1 350.00
(2) Hire of playing fields by schools, welfare organizations, sporting and religious bodies. per day		R 278.20	R 295.00
(3) Hire for playing field where entrance fees are charges, per day		R 1 016.50	R 1 080.00
(4) Hire of playing field for practice purposes by schools, welfare organizations, sports bodies, for portion of a day		R Nil	
(5) Hire by schools other than Greytown and Enhlalakahle		Per month	Per month
(a) Deposit:		Plus 50% of tariff	
(1) Refundable deposit for hire		R 950.00	R 1 005.00
(2) Refundable deposit for hire by fairs		R 1 539.10	R 1 650.00
(b) Deposit:			
(1) Refundable deposit for hire		R 2 052.20	R 2 200.00
9. DEPARTMENT: DEVELOPMENT PLANNING		2013/2014	2014/2015
In May 2010 the new Town Planning legislation (PDA) came into effect repealing the Natal Planning Ordinance of 1949. To provide for the adoption, replacement of schemes, and to provide for compensation in respect of matters regulated by the KwaZulu Natal Development Act of 2008 the following tariffs are recommended. In order for the municipality to be able to assess and approve any proposed development, tariffs must be in place.		Tariffs	Tariffs
A SPECIAL CONSENT (Non-refundable)			
1. A fee payable for ALL special Consent Application with an exception of Bed and Breakfast, Guest House or Lodges.		R 428.00	R 440.00
		R 535.00	R 540.00
Note:			
- All advertisement costs to be borne by the applicant.			
- In the event that ownership changes hands, a full special consent fee is payable.			
- Material changes to the application warrants fee 10% of the original tariff.			
B REZONING (Non-refundable)			
1. The fee payable if the property is less than 5000m2.			R 900.00
2. The fee payable if the property is 1.1ha - 3ha.			R 1000.00
3. The fee payable if the property is 3.1ha - 6ha.			R 1100.00
4. The fee payable if the property is 6ha - 9ha.			R 1650.00
5. The fee payable if the property is 9ha and above.			R 2 180.00
Note:			
- All advertisement costs to be borne by the applicant.			
- Material changes to the application warrants fee 10% of the original tariff.			

C SUBDIVISION (Non-refundable)		
1. The fee for subdivision into two properties jointly and less than 1ha.	R 3 210.00	R 3250.00
2. The fee for subdivision into 3 properties jointly and less than 1ha.	R 3 754.00	R 3760.00
3. The fee for subdivision into 4 properties jointly and less than 1ha.	R 4 280.00	R 4300.00
4. The fee for subdivision into 2 properties above 1ha.	R 4 815.00	R 4830.00
5. The fee for subdivision into 3 properties above 1ha.	R 5 350.00	R 5370.00
6. The fee for subdivision into 4 properties above 1ha but less than 10ha.	R 5 885.00	R 5900.00
7. The fee for subdivision above 10ha - 30ha.	R 6 420.00	R 6450.00
8. The fee for subdivision 31ha and above.	R 6 955.00	R 6990.00
Note:		
- All advertisement costs to be borne by the applicant.		
- Where a piece of land is transferred to Council, the fee per sub shall be waived.		
- A tariff shall be payable for the issue of certificates.	R 160.50	R 165.00
- Material changes to the application warrants fee 10% of the original tariff.		
D RELAXATION (Non-refundable)		
Relaxation of all building lines, side spaces, height (only where applicable in terms of the Scheme)		
1. Sites 300m2 or smaller with letters of consent	R 270.00	R 290.00
2. Sites larger than 300m2 with of consent	R 330.00	R 350.00
3. Residential sites without letter of consent	R 440.00	R 450.00
4. Non Residential sites without letters of consent (Special consent process applicable)	R 1 010.00	R 1 050.00
Note:		
- In the event that objections are received, a full special consent application is required.		
E CONSOLIDATION OF PROPERTIES (Non-refundable)		
1. The fee for consolidation of properties if less than 1ha.	R 1 070.00	R 1 090.00
2. The fee for consolidation of properties if 1ha and above.	R 1 610.00	R 1 650.00
Note:		
- All advertisement costs to be borne by the applicant.		
- Material changes to the application warrants fee 10% of the original tariff.		
F PERMANENT ADVERTISING SIGNS (Non-refundable)		
	2013/2014	2014/2015
	Tariffs	Tariffs
1. The fee for an illuminated mini billboard also subject to agreement.	R 533.50	R 565.00
2. The fee for an illuminated giant billboard also subject to agreement.	R 802.50	R 850.00
3. The fee for, LED Screen also subject to agreement.	R 1 070.00	R 1 130.00
Note:		
- All advertisement costs to be borne by the applicant.		
- Material changes to the application warrants fee 10% of the original tariff.		
G INTERGRANTED APPLICATION (Non-refundable)		
The fixed amount if an application is for integration for township establishment. (consolidation rezoning and subdivision).		
	R 5 350.00	R 5 670.00
Note:		
- All advertisement costs to be borne by the applicant.		
- Material changes to the application warrants fee 10% of the original tariff.		

H BUSINESS LICENCE (NOn-refundable)					
1. The fee per application for a business				R 228.00	R 240.00
2. The fee per year for informal traders.				R 25.00	R 30.00
I ZONNING CERTIFICATES					
Basic Fee					R 50.00
J ENFORCEMENT					
Confirmation of Contravention on site					R 214.00
Continued operation per day until matters in Court					R 380.00
K APPEALS					
Where an appeals to the Municipality Manager in terms of Section 62(1) of the					
Municipal Systems Act, 32 of 2000, as amended is lodged against a planning decision,					
the tariff is payable to the Council.				R 500.00	R 550.00
L GIS PLANS					
PAPER SIZE	MEDIA	BLACK AND WHITE	FUL COLOUR		
A4	Paper	R10.00	R15.00		R 17.00
A3	Paper	R20.00	R25.00		R 28.00
A2	Paper	R35.00	R40.00		R 42.00
A1	Paper	R40.00	R55.00		R 60.00
A0	Paper	R60.00	R110.00		R 112.00
10. BUILDING					
10.1 BUILDING PLAN FEES					
(1) (a) for the first 10 sq.m of the aggregate floor area of the intended work				R 535.00	R 565.00
(b) for each 10 sq. m or part thereof an excess of 10 sq. meters				R 53.50	R 55.00
(2) Re-submitted plans, 10% of the original plan fee subject to a					
minimum of				R 353.10	R 375.00
(3) Swimming Pools				R 246.10	R 260.00
(4) Concrete and security fences				R 246.10	R 260.00
(5) Preliminary plans:					
(a) Where the estimated value of the project does not					
exceeds R100.000				R 321.00	R 340.00
(b) Where the estimated value of the project exceeds R100.000 but					
does not exceed R250.000				R 1 070.00	R 1 130.00
(c) Where the estimated value of the project exceeds R250.000				R 1 498.00	R 1 585.00
(6) Plans for structural alterations to a building where the floor area is not					
increased:					
A fee of 0,2% of the total cost of the alteration with a minimum fee of:				R 642.00	R 675.00
MISCELLANEOUS CHARGES				2013/2014	2014/2015
(1) Advertisements and signs encroaching on municipal property:				Tariffs	Tariffs
Application fee for permission to erect or display any advertisement					
or sign, per application				R 288.90	R 305.00
(2) Building operations:					
(a) Inspection fee payable when the Inspector is called out for an					
inspection and it is found by such Inspector that the works are not					
ready for inspection, per inspection				R 535.00	R 565.00
(b) The Council may require any builder to deposit an amount of not					
more than R3000.00 to cover the cost of repairing any damage to					
Council property by building operations.					
(c) Proviso: Failure to notify the Building Control Officer of completion					
of works within 14 (fourteen) days, and occupying same without an					
an Occupational Certificate, will result in the forfeiting of the deposit					

	2013/2014	2014/2015
11. LAKE MERTHLEY AND SURROUNDING AREAS (Subject to and exclusive of VAT)	Tariffs	Tariffs
(1) Hire of Club House (per day or part thereof):	R 1 000.00	R 1 050.00
Deposit for Club House	R 1 500.00	R 1 585.00
(2) Hire of bungalows (per day or part thereof)		
(a) Small bungalow (maximum 4 persons)		
(i) May to August	R 130.00	R 138.00
(ii) September to April	R 160.00	R 170.00
(b) Large bungalow (maximum 4 persons)		
(i) May to August	R 170.00	R 180.00
(ii) September to April	R 360.00	R 380.00
(3) Hire of sites (per day or part thereof)		
(a) within demarcated area (maximum 6 persons)		
(i) May to August	R 140.00	R 148.00
(ii) September to April	R 200.00	R 210.00
(b) Per additional person (maximum 4 persons)	R 70.00	R 74.00
(4) The following discounts for the period indicated shall apply as follows:		
(a) the hire of bungalows and sites		
(i) bookings for 10-21 consecutive days		
(ii) Bookings in excess of 21 consecutive days		
(b) the hire of sites		
(i) Bookings in excess of ten sites		
Use of lake for fund raising functions fees collected will be on a 60% to council and 40% to organizing body split		
(5) Daily visitors, per day or part thereof:		
(i) Per person November to April	R 12.00	R 12.50
(ii) May to October	R 12.00	R 12.50
(iii) per trailer and boat November to April	R 110.00	R 115.00
(6) Permits (November to April):		
(i) per person (including boat & trailer)	R 220.00	R 230.00
(ii) per Family (maximum 6 persons, including boat and trailer)	R 340.00	R 360.00
(7) Use of electricity power point:		
(i) per day, or part thereof	R 58.30	R 30.00
12. MISCELLANEOUS CHARGES		
12.1 Sale of Drums:		
(a) Oil and tar drums	R 52.60	R 55.00

12.3 MOTOR VEHICLES AND ROAD TRAFFIC	2013/2014	2014/2015
(1) Fees for the issues or renewal of a permit to use a public vehicles stand:	Tariffs	Tariffs
(a) public buses per annum for each bus payable per month at the rate of.	R nil	
(b) for each bus in excess of two in the same ownership, per annum payable per month at the rate of	R nil	
(c) taxis per annum payable per month at the rate of.	R 280.00	R 295.00
	R 20.70	R 22.00
	R 215.00	R 227.00
	R 22.00	R 23.00
(2) Service of traffic officers or other officials:		
For escorting of abnormal load vehicles through Greytown per vehicles per hour or part thereof (including waiting time)		
(a) between 07:00 and 17:00	R 450.00	R 475.00
(b) between 17:00 and 07:00	R 650.00	R 685.00
(3) Abandoned vehicles:		
(a) towing of abandoned vehicle or vehicles causing obstruction.	Cost plus 10%	Cost plus 10%
(b) storage per day	R 100.00	R 105.00
12.4 MISCELLANEOUS		
(1) Notice of appeal in terms of legislation	R 107.00	R 113.00
(2) Valuation Roll, per copy	Cost + 10%	Cost + 10%
(3) Valuation Certificate - for each certificate given by the Municipality Manager reflecting the ratable value of immovable property appearing on the Valuation Roll	R 32.10	R 34.00
(4) Any Certificate and/or permit in terms of legislation	R 32.10	R 34.00
(5) Voters Roll, per copy.		
(6) Search fee per plan, document or file (excluding the Councils minutes, the current Valuation Roll and the current Voter's Roll and the current Voter's Roll) produced for inspection. or for every address, name or owner or valuation provided	R 53.50	R 65.50
(7) For copies of any bylaw, per folio -	R 1.70	R 1.80
(8) Certified copy of extract of minutes, per folio	R 16.00	R 17.00
(9) Photostat Copies	R 1.50	R 1.60
(a) Documents, etc., per folio		
Library materials, per folio:		
(i) A4	R 0.50	R 0.60
(ii) A3	R 1.00	R 1.00
(10) Tariff miscellaneous work and services any work or service not specially otherwise provided for in the foregoing tariff of charges and which council is lawfully authorized to do or render on behalf of third parties shall be charged at	Cost + 10%	Cost + 10%
(11) Upon compliance with municipal requirements in regard to the display and removal of election posters: (maximum of 300 posters)		
(a) deposit payable by political parties prior to an election	R 1 600.00	R 1 700.00
(b) deposit payable by either persons prior to the display of posters	R 481.50	R 510.00
(12) Hiring of stand by circuses, fairs and the like. (exclusive of charges for sanitation, water and electricity), per day	R 1 070.00	R 1 130.00
(13) Copy of consolidated tariff of charges	R 53.50	R 56.00
(14) Penalty payable when a negotiable instrument which has been tendered in payment is dishonored upon presentation for payment	R 267.50	R 285.00
(15) Issue of Rates Statement	R 160.50	R 170.00
(16) Issue of Rates Clearance Certificate	R 37.50	R 40.00
(17) Purchase of bio-hazardous waste containers	Cost + 10%	Cost + 10%

12.5 ADDITIONAL TARIFFS		
HOSTEL		
(per bed space per month)	R 75.00	R 80.00
(Should 70% of bed space not be paid, electricity will be disconnected without prior notice)		
13. FIRE SERVICES		
	2013/2014	2014/2015
13.1 Inspection of spray booth and issuing of spray permit as well as inspection of storage, handling and use of hazardous substance	Tariffs	Tariffs
	R 510.00	R 540.00
13.2 Releasing of incident information as contemplated in section 2 of the Fire Protection Services By-Laws	R 88.00	R 93.00
13.3 Cost per Office, per hour, or part thereof at events for standby and inspection	R 300.00	R 320.00
13.4 Fireworks display discharge application	R 300.00	R 320.00
13.5 General Fire Safety compliance letter/inspection request	R 200.00	R 210.00
13.6 Emergency/evacuation plans	R 500.00	R 530.00
13.7 Emergency/assistance recorded at emergency, evacuation drills (per Official, per hour or part thereof)	R 200.00	R 210.00
13.8 Call out charges per hour, per portion thereof for manpower, vehicles, equipment, materials, water and travelling.	R 200.00	R 210.00
13.9(a) Indigent	No charge	
(b) Uninsured property/ vehicle	No charge	
(c) Insured property/vehicle	R 500.00	R 530.00
(d) Purpose concert or gathering in order to ensure compliance with requirements prior to gathering approval for function to take place or for attendance of a fire fighter for Protection duty	R 500.00	R 530.00
(e) Fire protection and or any other associated duty or duties at a place used for any public purpose	R 500.00	R 530.00
13.10) Fire Prevention Charges: Submission of plans for		
a) LPG Distribution not exceeding 500l	R 600.00	R 640.00
b) LPG Storage Sites not exceeding 500l	R 600.00	R 840.00
c) LPG Storage sites exceeding 500l	R 1 700.00	R 1 800.00
d) Spray Rooms	R 1 200.00	R 1 270.00
13.11) Issuing of Fire Prevention Documents:		
a) Issuing a report on the condition of a premise following an inspection	R 530.00	R 560.00
b) Issuing of certificate of compliance fireworks and explosive charges	R 795.00	R 840.00
c) Application for storage of fireworks less than 500g	R 530.00	R 560.00
d) Application for storage of fireworks more than 500g	R 1 060.00	R 1 120.00
e) Issuing of a certificate for the storage of fireworks or explosives less than 500g	R 640.00	R 675.00

13.12) Miscellaneous Charges:		
a) Application to perform controlled fire burn within the municipal Boundaries Non-agricultural	R 795.00	R 840.00
b) Application for written report pertaining to any emergency incident attended to by department personnel	R 200.00	R 210.00
In assessing the charges rendered in terms of the above, the period shall be calculated from the time of departure from the fire section up to the time of return to the fire section.		
Due to allowance being made for:		
Breakdown or mishap on the route excluding traffic congestion, time occupied by relief personnel in transit: provided that where the fireman or application concerned does not for any reason unconnected with the service return directly to the fire station. The period of assisting the charge shall be calculated up to the time of departure from the site of the service and 15 minutes shall be added.		

2.3 Municipal manager's quality certificate

I BONGANI ALFRED XULU, municipal manager of Umvoti, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name

Municipal manager of Umvoti Municipality

Signature

Date

01/04/2014